

**Kenya: Infrastructure Finance and Public-Private Partnerships
Adaptable Program Lending Project Phase 1**

SUMMARY OF DISCUSSION*

Meeting of the Executive Directors

November 15, 2012

Executive Directors approved the credit for the Kenya Infrastructure Finance and Public-Private Partnerships (PPP) Adaptable Program Lending Project Phase 1 in the amount of SDR 26.4 million (US\$ 40 million equivalent) on the payment terms and conditions set out in the Memorandum of the President (IDA/R2012-0266).

Directors expressed support for the project and welcomed the recent momentum achieved through passage of the PPP Policy and establishment of the PPP Secretariat. Directors noted the importance of further strengthening the PPP policy framework while also identifying a bankable pipeline of PPP projects. Directors welcomed an increased role for IFC to support this agenda, as well as Government efforts to strengthen the fiscal risk management framework and develop capital markets to support Kenya's infrastructure finance agenda. Finally, Directors commented on the triggers for the second phase of the APL and urged the Government to ensure that PPP projects observe appropriate social and environmental safeguards in their execution.

*This summary is not an approved record.